

July 24, 2006

FCC, Office of Secretary
445 12th Street SW,
Washington, DC 20554

CC: 02-6

Re: Systems Engineering & Management Associates, (SEMA) Inc.
Request for Appeal of the Commitment Adjustment Letter
CC Docket No. 02-06

RECEIVED
AUG - 1 2006
Federal Communications Commission
Office of the Secretary

REQUEST FOR REVIEW

Dear Ms. Wright:

This is a request for an extension of an appeal regarding Universal Services Administrative Company (USAC) – Schools and Library Division's Demand Payment Letter for the e-mail service provided.

OUR CHRONOLOGY:

We were the prime contractor (service provider) for the Louisiana, Orleans Parish School Board for Erate 6. We received a Demand Payment Letter from Universal Services Administrative Company (USAC) – Schools & Libraries Division demanding payment of \$225,760.00 for our use of Kidbiz3000 email during our services rendered to the school board during the contract year. We discovered while researching our response to the demand letter that the technical time frame in which to appeal this matter might have expired. We respectfully believe that we should still be provided that opportunity and seek your forbearance in permitting us to move forward with our appeal. We assert our claim based on the foregoing.

We are Systems Engineering and Management Associates (SEMA), Inc. We are a minority owned small business located in New Orleans, Louisiana. Our offices are directly across the street from the Louisiana Superdome. Our office building sustained flooding and wind damage during hurricanes Katrina and Rita. We were severely impacted by both storms. After the storm, our business suffered great economical impact. We have lost some of our major contracts as well as staff due to the lack of work. Postal services were not operative in the New Orleans area until the first week of April 2006. I preference our appeal request with the foregoing to make you aware of the ongoing difficulties we were and are still experiencing in simply keeping our company viable since August 28, 2005.

We were unable to return to our New Orleans office full time and begin achieving a normal work schedule until sometime mid January 2006. We now have a limited staff and are still attempting to manage daily living requirements as well as manage the

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company's affairs while attempting to place the company on a solid economic foundation. The process has been arduous and painstaking.

While discussing the Demand Letter we were called to review a Notification of Commitment Adjustment Letter dated January 12, 2006. It was directed to Christy Salvant. Ms. Salvant is a former employee who was the point of contact for this project. She did not return to New Orleans and resides currently in Texas. As noted, the postal service just did not open re-opened a New Orleans transfer station until April and therefore the mail in New Orleans was sporadic at best. I cannot therefore confirm when the Commitment Adjustment Letter was received in our office but I know that we did not become aware of its existent until sometime late January or early February. Hence, we were not aware that an appeal period had commenced.

The letter was eventually forwarded to Ms. Cathy Murray, (our contract's manager) attention. After review, Ms. Murray advises that she had discussions with Ms. Kimberly Lagrue of the Orleans Parish school district sometime late January regarding the letter. Ms Lagrue indicated to Ms. Murray that the school system was aware of the issue regarding the potential problem with software and that the district had already filed the necessary documents for the appeal process to commence. Because we were the service provided for school district, we were of the opinion that the appeal also covered our concerns. Therefore after speaking to Ms. Lagrue we believe our company required no additional action.

This belief was further supported by a February 14, 2006 teleconference call we participated in with Garnet Person, a consultant for Achieve3000, the supplier of the Kibbiz3000. We discussed the conflict regarding the software and were advised that Achieve had also filed an appeal. This discussion convinced us that a further response by our company was not required.

Upon review of the January 12, 2006 letter, after Ms. Murray's discussion with the school board representative and shortly before our February telephone conference, Ms. Murray placed a call to our subcontractor, David St. Etienne, CEO of Ultimate Technical Solutions, Inc. (UTSI) who contacted Achieve3000. UTSI was the company that had worked directly with Achieve3000. Mr. St. Etienne spoke to Achieve3000's CEO Saki Dodelson who placed us in contact with her Mr. Person.

Mr. St. Etienne, Ms. Murray and I spoke to Mr. Garnet on or about February 14, 2006 who indicated that Achieve3000 had filed an appeal regarding the software dispute. We were advised that our issues were aligned because if the Achieve 3000 wins their appeal on the product making it eligible, it would reverse the bases of the Notification Letter stating that the product is not eligible. Therefore, in the course of the discussion we all were satisfied that our issues were aligned and being addressed in the Achieve appeal. Upon conclusion of that conversation, we were clearly of the opinion that no further action was required by us until a possible demand letter was received.

Therefore we believed we had again satisfied our appeal obligations and an additional appeal by SEMA was not required. Hence, we were shocked and dismayed to receive the demand letter because we considered that SEMA's position had been addressed in both the schools system's as well as Achieve3000's appeals. It was not until we began discussing a response to the Demand Letter that we became aware that the appeal period for SEMA individually (separated and apart from the others) commenced upon receipt of the January 12, 2006 Adjustment Letter.

It was always our intent to dispute the claim of the potential issues of the ineligible software. However, we thought our appeal rights had been satisfied.

We hope based upon the hardships conveyed regarding staffing, locating documents, limited office access as a result of hurricanes Katrina and Rita as well as our discussion and interpretation of the facts as stated above you will understand the serious predicament we now face regarding this matter and will allow this appeal to stand.

With kind regards, I remain

Sincerely,

Clinton Smith, Jr.
Director of Administration
SEMA Inc.

Cc: David St. Etienne



Administrator's Decision on Appeal – Funding Year 2003-2004

June 30, 2006

Clinton Smith, Jr.
Systems Engineering and Management Associates, Inc.
1515 Poydras Street, Suite 2200
New Orleans, LA 70112

Re: Applicant Name: ORLEANS PARISH SCHOOL DISTRICT
Billed Entity Number: 139223
Form 471 Application Number: 376127
Funding Request Number(s): 1030612
Decision Letter Date: January 12, 2006
Date Appeal Postmarked: April 11, 2006
Your Correspondence Dated: April 11, 2006

Our records show that your appeal was postmarked more than 60 days after the date your Commitment Adjustment Letter was issued, as shown above. Federal Communications Commission (FCC) rules require applicants to postmark appeals within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Schools and Library Division (SLD) to consider your appeal.

If you believe there is a basis for further examination of your application, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

Thru Aug 30

Schools and Libraries Division
Universal Service Administrative Company

cc: George Watts

Clinton Smith, Jr.
Systems Engineering and Management
Associates, Inc.

1515 Poydras Street, Suite 2200
New Orleans, LA 70112

Billed Entity Number: 139223
Form 471 Application Number: 376127
Form 486 Application Number: